STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

)	
IN THE MATTER OF: Robert R. Petersen,)	
First U.S. Equities, Inc. and)	
First Federal Equities, Inc.)	FILE NO. 0900498
)	

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENT: Robert R. Petersen

21 Spinning Wheel Road Hinsdale, Illinois 60521

First Federal Equities, Inc. C/o Robert R. Petersen 21 Spinning Wheel Road Hinsdale, Illinois 60521

First U.S. Equities, Inc. C/o Robert R. Petersen 21 Spinning Wheel Road Hinsdale, Illinois 60521

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein finds:

Count I

Sale of Unregistered Securities

1. That Respondent Robert R. Petersen ("Petersen") is an Illinois resident and president and secretary of First Federal Equities, Inc.

- 2. That Respondent First Federal Equities, Inc.("First Federal Equities") is a Nevada Corporation incorporated on August 31, 2007. Petersen has been its president and secretary since incorporation.
- 3. That Respondent First U. S. Equities, Inc. ("First U.S. Equities") is a Nevada corporation, incorporated on December 20, 2007. Petersen has been its president and secretary since its incorporation.
- 4. That Respondent Robert R. Petersen personally and/or through First Federal Equities, and/or First U.S. Equities, sold or offered to sell stock in Classic Golf, Inc., Clean Coal Technologies, Inc. ("CCTC"), Clean Coal Systems, Inc., Saudi American Mineral, Inc. and Enviro Fuel, Inc. to one or more Illinois Investors ("Investor(s)").
- 5. That the activities described in paragraph 4 above constitutes the offer and sale of a security and as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act");
- 6. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 7. That Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- 8. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 9. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 10. That by virtue of the foregoing, the Respondents have violated Sections 12.A and 12.D of the Act.

Count II

Failure To Register

- 1-4 Paragraphs 1-4 of Count I are realleged and incorporated by reference and are fully set forth herein.
- 5. That Petersen between February 2008 and January 2009 as president of First U.S. Equities entered into 25 stock sales agreements totaling \$70,305 with individuals, including Illinois residents, for the sale of of restricted CCTT common stock.
- 6. Included in the agreements referenced in paragraph 5 above is a representation under the signature of Robert R. Petersen as President of First U. S. Equities as follows:

"First U.S. Equities, Inc. is a holding company which has the right to sell and distribute, privately, shares of Clean Coal Technologies, Inc....

This private stock is issued as Clean Coal Tecknologies, Inc., which is registered as SEC Rule 144 restricted stock, to be held for one year from the date of certificate issuance.

This sale is authorized by the President of First U.S. Equities, Inc."

- 7. In addition to the stock sales described in paragraph 5 above Petersen, First Federal Equities, and/or First U.S. Equities between February 2008 and July 2009 further participated in the transfer, sale and distribution of additional CCTT stock.
- 9. The Respondents received CCTT stock referenced in paragraph 5 above directly from CCTT and from a control person of CCTT as that term is defined in Section 2.4 of the Act.
- 10. The activities described in paragraphs 5 through 9 above are those of a dealer and underwriter.
- 11. Section 8.A of the Act states that dealers "shall be registered as such with the Secretary of State."
- 12. Respondents are not registered in Illinois pursuant to Section 8.A of the Act.
- 13. Section 12.C of the Act provides that it shall be a violation of the Act to act as a dealer, salesperson, investment adviser, or an investment adviser representative, unless registered as such, where such registration is required, under the provisions of the Act.

- 14. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 15. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 16. That by virtue of the foregoing, the Respondents have violated Sections 12.A, 12.C and 12.D of the Act.

Count III

Obtaining Money through the Sale of Securities by Means of any Untrue Statement

- 1-4 Paragraphs 1-4 of Count I are realleged and incorporated by reference and are fully set forth herein.
- 5. That the CCTT stock referenced above was restricted stock and, therefore, could not be sold publically until the restrictive legend was removed.
- 6. Peterson represented to the investors that the restriction could be removed after 1 year and in some cases in 6 months.
- 7. Petersen failed to disclose to the investors that CCTT had impeded previous investors from having the restrictive legend removed and in fact litigated such attempts.
- 8. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.
- 9. By virtue of the foregoing, Respondent violated Section 12.G of the Act.
- 10. That the aforementioned findings are based upon credible evidence.
- 11. That Section 11.F (2) of the Act provides, <u>inter alia</u>, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to

Temporary Order of Prohibition

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prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.

12. That the entry of this Temporary Order prohibiting Respondent, or its agents, affiliates, successors and employees, from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents Robert R. Petersen, First Federal Equities, Inc. and First U.S. Equities, Inc. are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This $\frac{12}{12}$ day of April 2010.

JESSE WHITE Secretary of State State of Illinois

Attorney for the Secretary of State: Gregory J. Solberg Illinois Securities Department 69 West Washington Street Chicago, Illinois 60602 312-793-9643